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CHINA *vs.* JAPAN

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CHINA VERSUS JAPAN

Ge-Zay Wood

The arrival of peace in Europe has lifted the velvet curtain on the Far East, which has been hidden behind the scene of world politics for the last four years of war. Indeed, the Far Eastern question which has received a temporary eclipse because of the war clouds that have been hanging over Europe, and that are now beginning to disperse, will soon come to its own when the question can be presented and discussed in its true light. The world will be once more called upon to face the problem of unparalleled magnitude and of incalculable importance, not only to China and Japan, but to Europe and the United States as well. Newspaper intelligence is meagre these days as to what will be the ultimate treatment which the Far Eastern question will receive at the hands of the world surgeons who are now dissecting at the peace table the remains of a ruined Europe; indications are numerous, however, that there can be no peace, no permanent peace, unless the Far Eastern question is solved, and solved rightly. The correspondent of The New York Times in Peking sounded an ominous note when he wrote: "One can not travel through the Far East to-day, and I have been through Japan, Siberia, and China, without realizing that, while one war is over in Europe, another is getting rapidly under way in the Pacific. There are conflicts in interests and policies in Siberia, Manchuria, and China which should and can be peacefully adjusted in Paris if only the facts can be placed before the great powers." And why not?

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Those nations which are now engaged in the laborious task of rough-hewing the destiny of the world ought to take this into serious consideration. Although very little attention has so far been paid to it at the peace conference, the question is one which will ultimately determine the success or failure of the conference.

It has long been a diplomatic platitude among the Eupean chancelleries that the origin of the European war can be traced to The Near Eastern question. Granting that this is true, it is but natural to ask how does it bring about the war? No fair-minded student of history will deny that the blame lies largely with the European powers themselves. They had ample opportunities to settle the question permanently, in the interest of peace and for the good of all. Instead of so settling the question, however, the interested powers chose to leave it open. At the Congress of Paris of 1856 which brought the Crimean War to a close, the question was not given proper treatment; at the Congress of Berlin of 1878 which under the leadership of Bismarck revised the treaty of San Stefano, the same question became worse confounded; and at the Conference of London of 1913 at the end of the Balkan wars, the settlement was another piece of patched-up work that could not stand the acid test of time. But on each occasion, the powers had the opportunity of settling the question permanently, and on each occasion, the powers let the opportunity slip by. As a result, the so-called Near Eastern question which has been cankering the moribund Porte ever since its inception and taxing the nervous attention of the European chancelleries remained, as if it were, a deadly wound on the body of a sick man, unhealed and uncurable—so much so

that to have anything to do with it required such an unusual and drastic measure that it was destined to shock the body politic of the whole world. Nothing short of war could solve the question.

The same thing is true of the Far Eastern question. Wars have been fought in the Far East, but the issues involved have never been settled with any satisfaction. The Opium war between China and Great Britain was the first shot which was destined to break through the foggy mist of Oriental seclusion. Then the other wars followed one another, but they were successive steps of the political ladder by which the Western powers acquired their present dominating positions in China. But these steps belonged to the dusty limbo of bygone history; and as such we are not concerned with them —at least, not any more than the European Powers will be concerned with the ancient history of the Sublime Porte. It was only with the Chino-Japanese war of 1894-5 that the Far Eastern question entered its modern form, and it was only after the Russo-Japanese war of 1904-5 that it has assumed such magnitude and such complexity that it has baffled every effort of the world's trained diplomatists for its solution. The war of 1914 for which the allied and associated nations are now endeavoring at Paris to bring about the peace, has further complicated the question. It may be said with truth that golden opportunities were suffered to slip by without effecting a satisfactory settlement of the Far Eastern question when it was perfectly possible to do so. The Shimonoseki negotiations at the conclusion of the Chino-Japanese war seemed to have been intended rather for creating further troubles than for cleaning up the old score. The unpardonable ambition of the Japanese Government to seize

Liaotung Peninsula, which led to the Franco-German-Russian intervention amply proved the assertion. The Portsmouth Peace treaty was a peace settlement of a makeshift sort and more in the nature of a transference of property than as a solution of the Far Eastern question which the war had failed to solve. The fact that Japan stepped right into the Russian shoe in South Manchuria by succeeding to all the rights, privileges, concessions, and properties granted to Russia by China served to strengthen this belief. The Anglo-Japanese alliances, the Franco-Japanese Agreement, the Russo-Japanese agreements, and the open door agreements, which have been one and all ostensibly intended as the instruments to operate on "the sick man of the Far East" have refused to work. They have as a matter of fact turned out to be so many "scraps of papers" which could not either serve the surgical purposes as intended or help solve the thorny question. The wound has thus been left sore and open, and it has become much worse with the outbreak of the European war when the attention of the American and European surgeons was called away. While he is anxious about the recovery of the sick man, the American doctor is somewhat shy of the disease for one reason or the other. Evidently he much prefers to offer some professional advice rather than to look after the case himself. The only one left on the spot who is supposedly in possession of the modern equipment to do the job, is really too much absorbed in the remunerations he is to receive, to look after the welfare of the patient. Under the guise of his professional calling and under the pretext of helping the poor, Japan, the only medical man available for the last four years, administered in 1915 a most drastic dose to China from which she

is not likely to recover unless assisted by the experts at the peace conference. In other words, instead of curing the wound which has been left uncured, instead of solving the Far Eastern question which has been left unsolved, Japan has, in the absence of the other physicians, injected foreign ingredients into the body politic which make the healing all the harder if not altogether impossible. The best experts on the Far Eastern question will readily agree that such is really the case. While it can not yet be said to be hopeless, it is serious enough to warrant the statement that further delay in treatment will spoil all chances of recovery.

The war in Europe has come to an end. It is high time to consider, not only peace in Europe, but peace in the whole world. The war is a world war, and the problem of peace is certainly and necessarily a world problem. Now can this problem be solved with any satisfaction without rightly settling the Far Eastern question? Can the world have peace while China is every day threatened with War? Can the peace settlement at Versailles be a just one, when the grievances of a nation of 400,000,000 people are not redressed, and their wrongs are not righted? Can President Wilson's principles of reconstruction be carried out in spirit as well as in letter, when the rights of the so-called small nations are not respected? Can there be any real League of Nations if secret treaties which are totally incompatible with its fundamental objects are suffered to exist? Can there be any real open door policy in China or elsewhere in the world, when the doors already opened are to be or have been closed by diplomatic tricks? These are some of the pertinent questions which will supply food for serious meditation. "The impartial justice

meted out," says President Wilson, "must involve no discrimination between those to whom we wish to be just and those to whom we do not wish to be just. It must be a justice that plays no favorites and knows no standard but the equal rights of the several peoples concerned." Nothing deserves more respect or more serious consideration than this principle of impartial justice which has been accepted by the allied nations as a basis for future peace. Nothing will merit greater contempt and severer condemnation than preaching one thing at one time and practising another at another time. The world has had enough of this sordid practice, and it is time to call a halt.

THE CHINO-JAPANESE QUESTION

Those are laboring under misconception who think that the Far Eastern question is merely of local importance. On the very contrary, the question is one which is, as said at the very outset, of unparalleled magnitude and of incalculable importance not only to China and Japan but to Europe and the United States as well. It is of very long standing; and before it comes to its present fashion it has undergone a series of political metamorphoses which form one of the most interesting chapters of the diplomatic history between the East and West. In the first phase, it was a question of opening up of the regions concerned and the exploitation of the same by the Western Powers; in its second phase, it was a question of the balance of power which the European nations sought to maintain in the Far East as they did in the other parts of the world; in its third phase, it took on the garb of self-assertion of the East in face of the aggressive West; in its

fourth and present phase, the Far Eastern question is essentially a Chino-Japanese question. It is not of importance to know the details of the evolutionary stages through which the question has come to its present form, but in order to understand and to solve it, it is highly necessary to know how and why the Far Eastern question has come to be a Chino-Japanese question as it is to-day.

The story of the rise of Japan as a first class power is a tale that has enchanted and fascinated a great number of the Western readers. Students of Chinese history can readily tell how China was looked upon, before the fateful year of 1894, as a potential power to reckon with in Asiatic affairs. Russia regarded her a powerful ally; France knew what it meant to fight with China after the war of 1884; and Great Britain even went so far as to agitate in the early nineties for a defensive and offensive alliance with her. But behold! what had happened in 1894-5! Japan's aggressive policy in Korea led to the Chino-Japanese war. Having brought with wonderful secrecy her army to a high state of perfection and her navy to correspond by learning everything along those lines that could be learned from Germany and Great Britain, Japan resolved to try out her newly acquired strength on her unoffending neighbor. What her real motives were in undertaking this unnecessary war have already been a patent fact to the entire world. It may be said, however, that the Japanese invasion in China in 1894-5 set the tune of unprovoked aggressions which followed one after another right upon the heels of the conclusion of the Shimonoseki treaty. China was thus disabled, deformed, and incapacitated. What was generally supposed as a potential power in Asia thus became a beaten giant over-

night. In the words of Professor Holland, the Chino-Japanese war destroyed the reputation of one Power and created that of another.

Carried away by the glory of an easy victory in the war and intoxicated with the enthusiasm and ambition of expansion, Japan set out to find her place in the sun. Of course, she had to be prepared for the event. During the years which immediately followed the Chino-Japanese war, Japan behaved like a well-behaved child. She was engaged in the grim task of self-preparation for greater events to come. While the European eagles were gathering together on the moribund body the Chinese Empire, Japan alone stayed off, not because that the pie was not to her liking, but because it might prove to her indigestible. One has to be internally strong and healthy before he can afford to take any heavy meal that is likely to cause indigestion. It took years for Japan to regain her lost strength and be ready again. But her years of recovery and preparation were greatly hastened by a strong dose of tonic which was administered to her by Great Britain in the shape of the Anglo-Japanese Alliance of 1902. Her navy was brought up to date; her army was reorganized and increased; and as a result, she embarked upon another voyage of conquest.

As said before, the Russo-Japanese war did not settle the question. As a matter of fact, the war unsettled it. With the Russian leases and rights turned over to Japanese hands, and with the Mikado stepping into the Czarist boot, the Far Eastern question could be said to take the shape of a Chino-Japanese issue then and there. Siam, always outside of the political orbit in the Orient, was not then as it is not to-day very much bothered

with; Korea was then already firmly in the Japanese grip. By the protocol of August 22nd, 1904, and by the convention of November 17th, 1905, the Hermit Kingdom had signed its own death warrant; Russia was beaten in the battlefield; England was tied down hard and fast by her morganatic marriage; and it is not too much to say that in Chinese affairs England seemed to be quite content with playing the part of a second fiddle; the mouth of France was also shut in the Far Eastern affairs not only because that her ally Russia was beaten to the knee, but also that she was tied to the wheels of Japanese diplomacy by the Franco-Japanese convention of 1907; Germany was diplomatically isolated in the Far East, as the Anglo-Japanese Alliance, the Russo-Japanese agreements, and the Franco-Japanese convention left Germany without a single friend; the United States was the only country then which was not bound by any political considerations or secret diplomatic understandings with the other Powers in regard to Chinese affairs; but unfortunately, American policy was destined to be a subject of diplomatic gossip which the Japanese Government was always glad to talk about but it never intended to carry out. So coming down to the bottom of fact, the Far Eastern question was by the year 1908 already a Chino-Japanese question—a question between China on the one hand and the group of foreign powers with Japan at the head on the other.

The truth becomes more apparent when we remember how as the guiding genius of Far Eastern politics Japan has consistently and persistently tried to assume the overlordship of China. She has sought this by two means: first to tie the hands of those powers whose interests in China are such that

they can not be ousted or to isolate diplomatically those powers whose political ambitions elsewhere subject them to such a treatment; and secondly to browbeat China in every possible and conceivable way. In carrying out the first policy, the Anglo-Japanese Alliance, the Russo-Japanese agreements, the Franco-Agreement, and the Root-Takahira agreement have been employed by Japan as a double-edged weapon which cuts both sides. They have tied the hands of those contracting parties by putting themselves in line with Japan in the Far Eastern matters; and on the other hand, Japan has thereby acted as the spokesman of the entire group. As to the second means, the ways in which Japan has repeatedly browbeaten China constitute a sickly chapter on the Chino-Japanese relation, the unsavory incidents of which can only gradually be brought to light. It is sufficient to say here that, because of the rough conduct on the part of the Japanese Government in its diplomatic dealings with China and because of Japan's repeated encroachments upon her unoffending neighbor, Japan has been looked upon as the only power which is deliberately injuring the prestige of the Chinese Republic abroad and blocking its progress at home. No other country is treating China as Japan has been. On the very contrary, with the collapse of Russia in the war, with Germany ousted from the Far East, and with the other powers deeply absorbed in their home problems, Japan alone has been playing fast and loose in China. Who can doubt that the Far Eastern question has become virtually a Chino-Japanese issue?

It must not be understood, however, that the question is a simple one. Like other questions of long standing, it must be studied and understood

before it can be settled. A doctor must know the symptoms of his patient before he can prescribe. The case must be examined and diagnosed before it can be treated. What is true in the medical profession is also true in international matters. We must study the Chino-Japanese question in a more or less detailed fashion, find out what Japanese ambitions are, what Chinese grievances are, and then and only then we shall be in a position to see what is the real trouble.

JAPAN'S TERRITORIAL EXPANSION

Modern imperialism is a contagious disease, and living in a world where the atmosphere is surcharged with germs of the most dangerous sort, Japan has been caught in this terrible grip as the European powers have been. The first symptom of the Chino-Japanese trouble is found in Japan's insatiable appetite for territorial aggrandizement. The key to the solution of the Chino-Japanese question, if there is one, lies, therefore, in the answer whether Japan will be allowed to expand at the sacrifice of her neighboring republic. The story of Japan's expansion is the story of the rise of Japan as a first-class power, and it is in some respects also a story which tells us how the Chino-Japanese question has come to its present fashion.

Like most of the European powers, Japan came too late in the Colonial field, and by the time when she became really earnest in the game all the choice morsels were taken or occupied, and there was nothing worth while left for her. Germany was also a late comer in the Colonial field, but she was lucky, for she managed to secure a foot-hold in Africa, in Asia, and in the South Seas. There was no colony left for Japan, and the only

way of expansion that still remained open for such purpose was on continental Asia. Japan knew full well that such was the grim situation that confronted her at the outset of her enterprise. She realized that she would be pushed back in any other quarter of the globe; she also realized that in Asia, so near to the Japanese islands geographically, Japan could hope to obtain satisfaction nowhere else possible. In this grim realization or determination on the part of Japan to expand on the continent lies the deadly germ of the Chino-Japanese question. Japan could not expand except at the expense of China, and with but one exception—that of Sakalien, the southern portion of which was ceded to Japan after the Russo-Japanese war of 1905, every inch of territory which Japan has acquired originally belonged to China. China has lost these territories because of her absolute helplessness and weakness; Japan has acquired them, either at the point of bayonet or by bold swindling. The question is: How much more does Japan want, and how much more will China be forced to give up? Is Japan's territorial appetite so insatiable? Is China so helpless as to acquire a new lease of life only by territorial payment? Can we call a halt to this foul practice? Unless President Wilson's principles are put into full practice, the future is very much in doubt.

We notice, in the first place, that Japan had already given an unmistakable indication of her territorial ambitions as far back as 1870. At that time Japan had not yet been opened up very long, and was scarcely organized or prepared to take in any new territory. But the surprise is that she did. Loochow Island was annexed in 1870 without the least reason. Now whether the island belonged to China or to Japan

is a question of fact which history can best answer. But history tells us that Chinese suzerainty over Loochow Island can be traced back to 605 A.D., and it was in 1372 that the Loochuans formally and definitely acknowledged Chinese supremacy. Henceforth they acknowledged being tributary to China, sending a mission to Peking every other year. In the meantime trade relations with Japan were also established. In 1609 the Japanese prince of Satsuma invaded the island, took the capitol by storm, and captured the king and carried him away to Japan. He was restored to the throne a few years later on condition of paying tribute to Japan. This the Loochuans did, but they still continued to pay tribute to China, who was recognized by them as the real suzerainty. The Chinese Government, in spite of Japan's apparent aggression, sought to adjust the matter peaceably. But in 1870, when Japan attempted to treat Loochow as an integral part of the Mikado's dominions by converting it into a Japanese prefecture, China took up the matter with great caution. The relation between the two nations became so strained that war was threatened. General Grant, who was then in China on his world tour, offered to mediate. A conference was held in Peking whereby China and Japan essayed to bring about a partition of the island. While satisfactory arrangement was impossible, the Japanese continued their measures for the effective administration of the island.

The second helping was served at the conclusion of the Chino-Japanese war of 1895, which furnished fresh opportunities for Japan's territorial aggrandizement. Japan demanded as a price of peace a big indemnity, the cession of Formosa, and the Pescadores Islands, and, intoxicated by the first flush of victory, she even went so far as to demand the cession of Liao-

tung Peninsula, in total disregard of the future security of the Peking Government, of public opinion, and of the faint admonitions of the rest of the world. We do not know whether or not this excessive and unreasonable demand was an ultimate expression of Japan's territorial ambition which was let loose, naturally enough, at the conclusion of the war. Cries for territory and clamours for spoils are always loudest when a victorious war is won. People simply go crazy. This is but human, and it would be hardly just to hold the Japanese as exceptions to the rule. On the other hand it must be said that the demand for the cession of Liaotung Peninsula was indicative of puerile statesmanship of a hot-headed party, affected as it has always been by over-sanguineness which is a not unusual concomitant of the expansionist disease. Evidently there was not wisdom enough in the country to foresee what was coming or to have cooled down the passion of the war party, and any faint voice raised against undue annexation might have been drowned in the militant clamour for territorial aggrandizement. A coalition of three Powers stepped in: Russia, France, and Germany threatened war unless Japan abandoned the claim. The debauch indulged in in the night before had to be followed by sermons of soda-water nature the day after. Japan had to give up Liaotung Peninsula, to be satisfied with a large war indemnity, the Pescadores Islands and the Formosa, although these possessions are extremely fertile in soil and rich in resources and therefore treasure-troves in themselves.

In 1905 Japan made further acquisitions. It has been said that war is a legitimate means of conquest, and as such Japan would be among the first to make use of it. The Russo-Japanese war was brought about by a clash of territorial ambitions of these two Powers

in Manchuria and Korea, and it was natural that territorial adjustment should be the main feature of peace settlement. In the negotiation of peace at Portsmouth, the Japanese delegates insisted upon the retention of the Russian leases in Manchuria and the cession of Sakalien Island. The Russian delegates demurred. Long negotiations followed, and finally Count Witte agreed to the transfer of the leased territory in China on condition that China's consent should be secured. As to Sakalien, it touched Russia's dignity and would not be given up so easily. The Czar of Russia repeatedly instructed his envoys to break off the negotiations as the Japanese delegates insisted on the cession of the Island. He was reported to have observed that "neither a rood of land nor a rouble shall Japan receive. From this position nothing will ever make me recede." The negotiations were brought to a breaking point, but thanks to President Roosevelt's mediation, Japan was enabled to retain the southern half of Sakhalien Island. Port Arthur and Talienwan also fell into Japanese hands.

Japan's appetite for new territory was whetted with eating. She acquired Loochow Island in 1870; Formosa and Pescadores in 1895; Sakhalien in 1905, and she was still clamouring for more. Her passion for territory almost amounted to a disease. But she went about it in a quiet manner. In 1884 she signed the Tientsin agreement with China, respecting Korean autonomy. Korea had been, of course, a tributary to China for centuries. The plain fact that Japan wished to make it independent indicated what her intentions were. In 1894-5 Japan went to war with China again to maintain the independence of Korea. On August 26, 1894, at the beginning of the Chino-Japanese war, a Korean-Japanese alliance was concluded, the object of which was to maintain the in-

dependence of Korea on a firm footing. In the treaty of Shimonoseki, China was made to recognize definitely the full and complete independence and autonomy of Korea. In the Russo-Japanese agreement of April 25, 1898, both governments recognized definitely the sovereignty and entire independence of Korea, and pledged themselves mutually to abstain from all direct interference in the internal affairs of that country. The Anglo-Japanese alliance of 1902 had as one of its objects the maintenance of the territorial integrity of Korea. Even when declaring war against Russia, the Mikado said in his Rescript, February 10, 1904: "The integrity of Korea is a matter of gravest concern to this Empire—the separate existence of Korea is essential to the safety of our realm." The same provision was made in the Protocol of February 23, 1904, between Japan and Korea. The third article of the said instrument provides "The Imperial Government of Japan definitely guarantees the independence and territorial integrity of the Korean Empire."

So far, so good. But Japan's sinister designs upon Korea soon came to light in a naked fashion when, in the Portsmouth treaty of peace, Russia was made to acknowledge Japan's paramount political, military and economic interests in Korea, and in the second Anglo-Japanese alliance nothing was said about Korean independence and integrity—which was the *raison d'etre* of the first alliance. On November 17, 1905, another innocent agreement was entered into between Korea and Japan whereby Korean foreign relations were given to Japanese control. In 1906 Marquis Ito was made Resident General in Korea; in 1907 Japan blocked a Korean delegation to the Hague Conference; in 1909 Marquis Ito declared that Korea must be "amalgamated" with Japan; in 1910 what was expected happened: Korea was annexed to

Japan. By war and diplomacy Japan compelled first China and then Russia to acknowledge Korean independence; by understanding and agreement Japan was able to persuade England and other Powers to wash their hands of the future of Korea; by a series of "guarantee treaties" Japan succeeded in attaining overlordship of that Kingdom; and by court intrigue, corruption, coercion, and other clandestine means, Japan induced the Korean Emperor and his representatives to sign the fatal agreement of August 22, 1910, whereby this unhappy Hermit Kingdom passed into the dusty limbo of forgotten history. The whole story is a tragedy; its recapitulation serves only to recall the buried past and to draw a picture of how the bird of prey goes after its victim patiently and yet persistently.

Japanese imperialism, however, does not stop here. A new opportunity was offered for aggrandizement in the outbreak of the European War, 1914. Japan was requested by Great Britain to look after the British shipping interests in the Far Eastern waters. But much more than that was asked of her, Japan declared war upon Germany. An expedition was sent to capture Tsingtao, in which the British forces were compelled to participate for political considerations. It was then understood that Japan's military and naval operations would be limited to the Northern Pacific. But before long, the Caroline, Marshall and Ladrome islands in the South Seas fell into Japanese hands. These islands, together with the German leased country, have been under Japanese military occupation. Japan has promised to restore Kiaochow to China, but the Japanese delegates at the Peace Conference have pressed hard for the retention of the captured German colonies in the South Seas and the German fortress Tsingtao in China.

Here we have in a nutshell the story of Japanese expansion. Except the south portion of the Sakhalien which was wrested from Russia, and except the German possessions in the Pacific, the Caroline and the Marshall islands, the disposition of which is still in the hands of the Peace Conference, every other inch of territory which Japan has acquired has been acquired from China. In 1870 she took Loochow island from China; in 1895 she seized Formosa and Pescadores from China; in 1905 she leased Kwantung Peninsula from China; in 1910 she annexed Korea after the latter was detached from China. Indeed, there is no limit to Japan's territorial ambition. Her appetite is insatiable; her thirst is unquenchable. On the one hand, Japan professes to adhere to the Chino-Japanese treaty of May, 1915, and undertakes to restore Kiao Chow to China. On the other, she means to keep Tsingtao as an exclusive concession agreed upon in the said treaty and thus play the game of eating the oyster herself and leaving the shell to China. This is all clever enough. But the question is how much predatory spirit can be permitted to enter into the final peace settlement? President Wilson, in his speech of July 4, 1918, said that "the settlement of every question, whether of territory, of sovereignty, of economic arrangement or of political relationship" must be "upon the basis of the free acceptance of the settlement by the people immediately concerned, and not upon the basis of the material interests or advantage of any other nation or people which may desire a different settlement for the same of its own exterior influence or mastery." China looks forward to a just settlement based upon this principle.

JAPAN'S FINANCIAL IMPERIALISM

So far we have dealt only with Japan's territorial ambitions. There are other avenues, however, through which the Empire of the Rising Sun hopes to be the master of the Celestial Kingdom. Modern devices of subjugating a nation have advanced to such a stage that the process can be carried out to perfection without a single resource to arms. The most telling instance is the passing away of Egypt, of Morocco, and of Persia, and anyone who is at all acquainted with the history of those unfortunate countries can readily point out that the foreign financial domination of a nation will inevitably lead to its downfall. Japan has proved herself to be an apt student of Western science and of Western statecraft, and no one knows any better than Japan herself that in carrying out her sinister designs upon China nothing is so peaceful and yet so effective as financial domination which leads to ultimate control. Japan has bought Korea with Yen 104,000,000, which sum was gradually advanced to that unfortunate country four years before her annexation; she is now trying to buy up China with small loans and large loans, with her own money which she has made during the war, and with the money which she has managed to borrow from the other powers. It is high time for us all to wake up to the real danger which is threatening the existence of the Chinese Republic.

It is to be recalled that Japan's financial imperialism is comparatively of recent growth. Japan well knew, of course, what it was, but the savory dish was not tasted until 1895 when, as a result of the Chino-Japanese war, Japan received a huge indemnity of 230,000,000 taels from China. It was then that Japan put into actual practice the art of *haut finance;* and it

was since then that China has increased her foreign indebtedness. Prior to the war, China's foreign debt was almost nil; but after it she became, for the first time in her history, a serious borrower in the European markets. The terms of the Shimonoseki treaty included the cession of Liaotung Peninsula, the cession of Formosa, and the Pescadores, an indemnity of 200,000,000 taels, and their various commercial privileges. But the excessive nature of these demands brought the European Powers on the scene. Russia, France and Germany intervened on the ground that the occupation by Japan of Liaotung Peninsula would be a menace to China, and so it was. But the retrocession of the peninsula was paid for with 30,000,000 taels in addition. This huge indemnity was so beneficially utilized by Japan that she was enabled to reform her currency by adopting the gold standard, to build up her navy almost equal in size to that of Russia, and to carry out many reforms which would have been impossible otherwise. The outbreak of the Boxer Rebellion in 1900 furnished to Japan another golden opportunity to enrich herself, while the same trouble cost China another big indemnity that will, if it is not cancelled at the Paris Peace Conference, keep China in financial servitude for a good many years to come.

One interesting feature about Japan's financial policy is that she is ever ready to lend money to China. If Japan has not the money herself, she will at least play the part of a broker. It does not make a whit of difference to Japan, so long as she can get hold of China's most valuable security and be assured of a high rate of interest, whether the money thus loaned to China is to be wasted or to be expended for useful purposes. Of course, all Japanese loans are made ostensibly for the most plausible uses—such as for the

construction of railways, reform of currency, industrial development, etc. As a matter of fact, Japan has never been actuated by such high motives. On the very contrary, Japan will not hesitate to block China's economic development if such development may prove to be disadvantageous to her own interests in China. The only motives that have actuated Japan's reckless lending are to get hold of China's resources, to secure unusually high rates of interest, to exclude European and American financial activities in China, and finally to secure financial domination over the Chinese Republic as England has secured over Egypt, and France over Morocco. This is a rough sketch of Japan's financial ambitions, and it does not take much scholarship to sustain the theme. A single instance will be sufficient for the purpose.

Early in 1908 a single group of American bankers undertook a loan of $20,000,000 for the use of industrial development in Manchuria and for the currency reform in China. To this American group were added later other groups, representing England, Germany and France, thus making a financial combination known as the "Four-Power-Group." After the establishment of the Chinese Republic in 1911, this group was asked to finance the Provisional Government, and to place a loan of $300,000,000, to be issued over a period of five years, the proceeds of which were to be employed to liquidate outstanding indebtedness, and to carry out numerous administrative reforms. The importance of a loan of this nature called forth an urgent demand from the Russian and the Japanese governments for their participation, although they had no money to lend. Once admitted, they proved themselves such a stumbling block in the negotiation that it was almost broken up. Russia insisted that the money thus borrowed must not be used for military

purposes in Mongolia, which had just declared its independence of China. Japan insisted that no part of the loan should be employed for the purpose of Manchurian development, for to so employ it would conflict or injure Japan's economic interests already acquired therein. What a preposterous demand! And how absurd! But such is the real Japanese attitude—the dog-in-the-manger policy which she adopts whenever she has no money to lend herself. She does not want to be left behind, but she does not wish to see others go ahead; she does not care to help China's economic development, but she can see no better excuse in lending money to China than for that purpose; she has no money to lend, as a matter of fact, but she knows that the security is too attractive to ignore. The natural resultant of these conflicting views is a policy which amounts to this: "I have determined to lend money to China, either alone or in combination. I must have a share in every loan that you may make to China. If I have no money to lend, you must let me play the part of an honest broker; else absolutely nothing doing."

Before the outbreak of the War, in August, 1914, Japan had to measure her strength in the financial markets of New York, London, and Paris. In the matters of foreign loans to China, and in other financial transactions in the Far East, Japan had to look forward to the United States and to the European Powers for direction and assistance. She was virtually impotent without their help. The war of 1914, however, has removed the European Powers from the scene of activity, and left Japan alone in the field. The immense profits which she has made in the war have not only enabled her to pay off a large amount of her debt, but also put her in the foremost front as a lending power to China. Indeed, the amount which

Japan has lent to China since August, 1914, is so large that Japan's financial domination over China is seriously threatened. The following is a list of loans, from 1903 to July 15, 1918, which Japan has made to China. The magnitude of the amount lent, particularly after the outbreak of the European war, indicates the buccaneering activity of the Japanese Government in exploiting China and in sending the infant republic to the debtor's prison. We owe the list to Mr. J. B. Powell, editor of the Millard's Review:

1.	1909	Hinumintun Mukden Ry. loan	Yen	320,000
2.	1909	Kirin-Chengchun Ry. loan	"	2,150,000
3.	1910	Peking-Hankow Ry. Redemption loan	"	2,200,000
4.	1911	Peking-Hankow Ry. Redemption loan	"	10,000,000
5.	1912	Hankow Waterworks loan	"	1,000,000
6.	1912	Hunan & Hupeh Provincial loan	"	2,000,000
			Yen,	17,670,000
7.	1903	Loans to Hanyehping Company	Yen	3,000,000
8.	1906	Loans to Hanyehping Company	"	1,000,000
9.	1906	Loans to Hanyehping Company	"	2,000,000
10.	1908	Loans to Hanyehping Company	"	1,500,000
11.	1908	Loans to Hanyehping Company	"	500,000
12.	1909	Loans to Hanyehping Company	"	6,000,000
13.	1910	Loans to Hanyehping Company	"	1,000,000
14.	1912	Loans to Hanyehping Company	"	2,000,000
15.	1913	Loans to Hanyehping Company	"	15,000,000
			Yen,	32,000,000
16.	1915	Szepiukai-Chengchiatun Ry. loan	Yen	5,000,000
17.	1915	General loan	"	1,000,000
18.	1915	Asiatic Development Co. loan	"	5,000,000
19.	1916	Shantung Provincial loan	"	1,500,000
20.	1916	Kwangtung Provincial loan	"	1,500,000
21.	1917	Bank of Communication loan	"	5,000,000
22.	1917	Fengtien Provincial loan	"	2,000,000
23.	1917	Szepiukai-Chenchiatun Ry. loan	"	2,600,000
24.	1917	Kwangtung Provincial loan	"	3,000,000
25.	1917	Bank of China loan	"	5,000,000
26.	1917	Part of 2nd Reorganization loan	"	10,000,000

27.	1917	Chili flood loan	Yen	5,000,000
28.	1917	Kirin-Changchun Ry. loan	"	6,500,000
29.	1917	Grand Canal loan (part)	"	5,000,000
30.	1918	Flood Relief	"	200,000
31.	1918	Government loan	"	2,000,000
32.	1918	Changchun Ry. loan (supplement)	"	630,000
33.	1918	Chili Provincial loan	"	1,000,000
34.	1918	Part of 2nd Reorganization loan	"	10,000,000
35.	1918	Hupeh Provincial loan	"	2,500,000
36.	1918	Fukien Provincial loan	"	1,000,000
37.	1918	Chili Provincial loan	"	1,000,000
38.	1918	Army loan	"	14,000,000
39.	1918	2nd loan to Bank of Communication	"	20,000,000
40.	1918	Telegraph loan	"	20,000,000
41.	1918	Wireless loan	"	3,000,000
42.	1918	Kirin-Changchun Ry. loan	"	20,000,000
43.	1918	Fengtien Provincial loan	"	3,000,000
44.	1918	Hupeh Provincial loan	"	1,000,000
45.	1918	Shensi Provincial loan	"	1,000,000
46.	1918	Military loan	"	2,000,000
47.	1918	Forest loan	"	30,000,000
48.	1918	2nd Reorganization loan (3d advance)	"	10,000,000
49.	1918	Yunnan Provincial loan	"	3,000,000

	Total Yen,	248,100,000
Pre-War, including Han Yehping,	"	49,670,000
Since August, 1914	"	198,430,000

Besides these loans there are many others which have been made, but the terms have been kept secret. For the construction of a railway from Sinan to Shuntefu in Chili, a loan running up several millions was made at the ruinous rate of interest of 8 per cent. One of the chief terms demanded is that China shall agree to the establishment of Japanese civil officers in Shantung. Another loan of some 20 million Yen was contracted (Yen 6,000,000 already advanced) for the construction of five railways in Manchuria and Mongolia, with the condition that the Japanese should be given the right to work mines of the entire territory.

A military loan of 4 million Yen bearing interest at 8 per cent. was reported, one of its conditions being that Japanese military officers were to train the Chinese army. A political loan of some two million Yen was also reported While China has acquired the habit of reckless borrowing, Japan has acquired one of reckless lending. The one borrows to play ducks and drakes with, while the other lends with a purpose. Financially China is in the most critical situation ever known in her history. Unless she wakes up to the danger herself, or foreign control steps in, the fate of Egypt, of Morocco, of Korea, and of Persia will become her own. Japan seems liberal with China in money matters, but the day will soon come when she will demand her pound of flesh.

Japan's latest financial stunt—or, to be more exact, the latest device with which she has sought to complete her financial domination over China—came in the shape of her benevolent assistance to reform China's present currency. There are very few devices more astute and more damaging to China's sovereignty than the sinister plans which Japan has put forward to establish "a Gold-note Currency in China, based upon a Gold Reserve held in Japan." That is, China is called upon to have a make-believe Gold Currency by issuing $80,000,000 of gold notes to be circulated first in Peking and then throughout China, without any gold in reserve. The only reserve will be an equivalent amount of bank notes to be borrowed from Japanese banks.

A secret agent of the Japanese Prime Minister Terauchi came to China in May, 1918, with the proposal that the Japanese Yen should be adopted as the Chinese gold standard. This was rejected, but the secret envoy was too shrewd a person to be thus baffled. "If you will issue gold bank-notes similar to

the Japanese," he turned around and said to the Chinese Government, "the Chosen Bank and the Taiwan Bank can lend you an equivalent amount of money; that is, a requisite amount of Japanese bank-notes." In other words, he suggested that currency reform could be undertaken by making believe that the Japanese bank notes were as good as gold reserve. Whether this is sound economic principle we will not inquire. We are only concerned with the political motives which actuated the Japanese Government to take such a bold step.

There are three motives behind the scheme, and it does not take any profound scholar of Far Eastern politics to discern what they are. In the first place, it has been the intention of the Japanese Government to fish in the troubled waters by keeping the North fighting the South indefinitely. The loan of Yen, 80,-000,000 was of course made nominally and ostensibly for the issue of the gold notes, i.e., for currency reform in China. But who could doubt that part of it was to be employed to fight the South? In the second place, it has been said that American participation in the Chinese finance has appeared to the Japanese statesmen as highly dangerous. Availing herself of the distressing conditions of a bankrupt China, Japan has thought it a right moment to strike. A loan of Yen 80,000,000 is none too large; but it is sufficiently large to keep China in Japan's financial bondage for years to come. The fact that an effort has been made to hurry through the scheme and that the regulations for gold notes should have been promulgated soon after America's declaration of a new financial policy for China, gives an inkling of Japan's desire to forestall American activity. The third motive has been said to be an insidious plan of Japan to break up the Banking Consortium which signed the currency loan

agreement with China, April 15, 1911. The fact that Japan alone has supplied the requisite amount for China's currency reform means that no more foreign assistance is called for. On the other hand, the Banking Consortium will *ipso facto* relapse into inactivity since the *raison d'etre* has ceased to exist. By eliminating the Foreign Consortium, Japan, being alone in the field, is freer than ever to financially dominate China. This is one of the reasons which have caused Hollington K. Tong and other Chinese patriots to utter a shrill call for an international control of Chinese finance. Both are bad and both are poisonous. But, like the helpless Dorax in Dryden's play, China may yet save herself by swallowing two different poisons, each of which is an antidote of the other!

These are the motives on the part of Japan, but what are the effects of this Gold Note Currency on China? Of course notes cannot be issued without security. Financial history and financial experience of any country will tell the same tale. That China has been persuaded to issue notes with make-believe reserve is fundamentally wrong. The fiscal dangers such a venture carries in its train are too numerous to be narrated here. It is bad enough to issue gold notes without gold reserve; but to issue gold notes on the strength of bank notes borrowed from a foreign country is infinitely worse. We can foresee the principal effects which will necessarily follow such a nefarious scheme.

In the first place, China has almost placed herself in the position of a Japanese dependency. "The moment when China issues gold notes with their paper reserve kept in Japan, she becomes a Colony of Japan in reality. Gold notes are issued in the Philippines and their reserve is kept in the United States of America.

They are issued in India, and their reserve is kept in England. They are issued in the Dutch Indies, with their reserve kept in Holland. Now they will be issued in China, but their reserve will be kept in Japan. The Philippines, India and the Dutch Indies are Colonies of America, England and Holland respectively. China will be a Colony of Japan if she actually undertakes the absurd gold note scheme." In other words, with China's carrying out the schemes, Japan's financial imperialism scores the greatest triumph. Secondly, China places in Japanese hands the power to control her finance, by placing in Japanese hands the power of her note issue. The reserve will be kept in Japan; the note issue will be controlled by Japan; and Japan's financial domination over China is thus complete.

JAPAN'S ECONOMIC AMBITIONS

Modern imperialism is a garment of many colors. Together with the process of territorial aggrandizement and the policy of financial domination in China, Japan is pursuing yet a more subtle and dubious path of what is generally known as "peaceful penetration." The process has been lately very much discredited because of its German association; but Japan, an earnest and fervent admirer of Germany and everything German—Japan is not infrequently called "Prussia of the Far East"—is by no means dismayed by the popular resentment with which the process of peaceful penetration has been received by the world nowadays. Japan has been pursuing the policy in Manchuria, in Fukien, and she is now pursuing it in the Shantung province. She certainly knows its efficacy, and she knows how to handle the most effective weapon with which she proposes to purloin China. Economic pen-

etration is but a handmaid of financial imperialism; the two go hand-in-hand. One cannot go without the other. Or, more accurately speaking, one is the logical sequence of the other. Since Japan is bent upon financially dominating China, it is but natural that both processes should be set in motion and be utilized to their utmost.

Japan's economic designs in China are so ambitious, and the evidences of economic penetration are so many, that in the limited time and space at our disposal it is absolutely impossible to describe them in any detail. To do so will require volumes. It will be quite sufficient for our purpose to bring out here a few typical instances of Japan's economic ambitions in China from which the readers can draw their own conclusion. We have pointed out how Japan has sought territorial expansion in China; we have told the story of Japan's financial imperialism; and we have also observed that economic penetration is but a handmaid of financial domination. Now we shall see how Japan has utilized the one as a lever with which she secures commercial privileges and economic concessions from China, and the other as a fulcrum upon which she seeks political and economic domination. The process is incredibly simple.

In the first place, in order to understand Japan's economic position in China, we may ask why the European Powers were at one time so anxious for oversea possessions? Why they were so eager to despoil China at the end of the nineteenth century? Why is Germany so desirous of getting back her lost Colonies, and why are the other Powers so desirous of keeping them? Many answers may be given, and each one may be different from the other, but there is one fact that underlies them all—that all oversea possessions, aside

from their ability of furnishing raw materials and creating new markets, are really the best sort of economic footholds. This is particularly true of the European and Japanese possessions in China. Those foreign leased territories in China have proved to be more valuable as economic bases than as anything else. Japan has in China many such advantages. Port Arthur and Dalny were transferred over to Japan after the Russo-Japanese war of 1905, and their original leases have been extended to 99 years as a result of the Chino-Japanese negotiations of 1915. Fukien and Inner Mongolia have been taken as Japan's spheres of influence. Japan is now moving heaven and earth at the Peace Conference to keep Tsingtao, by insisting upon the validity of the Chino-Japanese treaty of 1915. With these places as strategic bases—for they are strategic economically—Japan is in a domineering position which will enable her to put out of competition other Powers who are not so favorably situated. Instances have been produced again and again of how Japan has resorted to the unfair means of economic discrimination in South Manchuria by subsidizing Japanese steamship lines, by rebates, by preferential tariff, and by other devices. These have been carried out all under the aegis of the regime of the leased territories in Manchuria. Is there any one who doubts as to the usefulness of the leaseholds as economic bases in China?

Disregarding generalities, now let us come to the specific instances. The first thing that comes to our mind is the mining industry in China, which has fallen into Japanese hands. We are quoting the Secretary of the Eastanian when we say: "A good deal of the mining industry in China is also under control of Japan—the Yangtze coal mine, the Sun Shan coal mine

and Chin Ling iron are all in Shantung, with a capital of 12,000,000 marks (this being Germany's property before the war). The Sak-pa-ling coal mine and the Yentai coal mine are in Manchuria. The Fuchan coal mine has a capital of 12,254,065 Yen, and contains 800,000,000 tons of coal. With the Yentai mine, they both have a daily output of about 8,000 tons of coal. The Pen-hsi-su coal mine and the An-shan-chang iron mine are Chino-Japanese joint enterprises. It has been estimated that the Pen-hsi-su mine contains 123,000,000 tons of coal, and An-shan-chang contains 100,000.000 tons of ore." All these riches and valuable mines are in the Japanese hands. Japan has obtained besides these an iron mine at Feng-kwan-shan and a few mines throughout the Yangtze Valley, which was generally supposed to be British sphere of influence. Japan is also reported to have secured the rights of opening the iron mines at Feng-wang-shan and Mei-lin-kwan in Kiangsu province.

With the conclusion of the so-called treaty of Peking of May 25, 1915, which brought to a close the protracted negotiations in regard to "the twenty-one demands." Japan has acquired further rights to operate coal and iron mines in China. The number of mines is so large and the area covered by them is so extensive that, compared with those acquired by Japan in 1907 as a result of the Chientao Dispute, which we have no time to take up, one is perfectly justified in supposing that Japan's art of wringing concessions from China has been improved by leaps and bounds. It is sufficient to quote the language of the note exchanged between the Chinese and Japanese Governments in regard to this matter, in order to show the number of mines conceded and the area covered by them. "Japanese subjects

shall, as soon as possible, investigate and select mines in the mining areas in South Manchuria specified hereinunder, except those being prospected for or worked, and the Chinese Government will then permit them to prospect or work the same:—

I. In Fengtien Province

	Locality	District	Mineral
1.	Niu Hsin Tai	Pen-hsi	Coal
2.	Tien Shih Fu Kou	Pen-hsi	"
3.	Sha Sung Kang	Hai-lung	"
4.	T'ien Ch'ang	Tung-hua	"
5.	Nuan Ti T'ang	Chin	"
6.	An Shan Chan region	Liaoyang to Pen-hsi	"

II. In Kirin Province

1.	Sha Sung Kang	Ho-lung	Coal
2.	Kang-Yao	Chi-lin	Gold
3.	Chia P'i Kou	Hua-tien	"

It is to be noted that all these coal and gold mines fall within the confines of the Manchurian Provinces, and it is in Manchuria, as we shall point out a little later that Japan has been carrying out in a minute form the subtle process of peaceful penetration. By hook and crook which Japan's well-cultivated art of diplomatic ingenuity is ever-ready to devise, Japan has, one after the other, acquired leaseholds, railways, police-rights, mines, etc. in Manchuria. It ought to be superfluous to point out that they are the most powerful economic weapons with which to conquer a nation.

Besides this, Japan has been seeking after China's tobacco and wine monopoly. This ambition was revealed in a clear-cut fashion in June, 1918, when the Japanese bankers, for a loan of Yen 30,000,000 demanded that wine and tobacco tax should be pledged as security, and that an administration for its collection, similar to the Salt Administration, with a Japanese at the head of it, should be established. Japan

has cherished the pious hope that with the conclusion of the loan China's wine and tobacco tax would be transferred to Japan for collection, and that the monopoly for both wine and tobacco trades in China would forever remain in the Japanese' hands. Now it is a very well-known fact that the Chinese people spend more than Mex. $100,000,000 a year for cigars, cigarettes and wine, and a monopoly of the trade by Japan will net her the greatest pecuniary profit possible. It is also a well-known fact that the wine and tobacco tax, at least a part of it, has already been pledged to France for a small loan from the Bank Industrielle de Chine and to the United States for a loan of $5,000,000 from the Continental Trust Savings Bank of Chicago. The fact that Japan demanded wine and tobacco tax as security in spite of and in disregard of the previous pledges shows that she was bent upon wringing concessions and more concessions, monopolies and more monopolies, from China.

But this is not all. Japan has been trying to get hold of anything and everything worth having in China—economical, commercial and industrial. That such is the case is further illustrated in her earnest effort to exploit China's cotton resources and iron industry. As usual, Japan poses as a friend of China, deadly anxious to help out the young Republic along economical and industrial lines; and as usual, Japan looks as innocent as a sucking dove. This time she wants to help China develop iron production and cotton industry, and she proposes to do it in this fashion: "We shall return You the balance of the Boxer Indemnity, and with this money we propose to establish a number of iron works and spinning mills in Shanghai, Hankow, and Tientsin, and other leading treaty ports. As the Boxer Indemnity is to be used for the

purpose, we should be allowed to have direct control of these works." Here is the essence of the whole scheme—or an outline of the conditions under which Japan proposes to return her share of the Boxer Indemnity. A clever scheme it is indeed—one that is really worthy of Japanese ingenuity! On the one hand, the fact that these iron works and spinning mills are to be established with Japan's share of the Boxer Indemnity removes any local opposition. On the other, through the iron works and spinning mills Japan can control the iron resources and cotton industry of China.

It is to be recalled that Japan, in 1915, made a desperate effort to secure the control of the Hanyehping Company and through it the control of China's iron and steel resources. The third Group of "the twenty-one demands" uses the following language: "The Japanese Government and the Chinese Government, seeing that Japanese financiers and the Hanyehping Company have close relations with each other at present and desiring that the common interests of the two nations shall be advanced, agree to the following articles: (1) The two contracting parties mutually agree that when the opportune moment arrives the Hanyehping Company shall be made a joint concern of the two nations and they further agree that without the previous consent of Japan. China shall not of her own act dispose of the rights and property of whatsoever nature of the said Company, nor cause the said Company to dispose freely of the same. (2) The Chinese Government agrees that all mines in the neighborhood of those owned by Hanyehping Company shall not be permitted, without the consent of the said Company, to be worked by other persons outside of the said Company, etc." Such is the bold-faced fashion

in which Japan has sought to control China's biggest iron and steel industry. Such is the time-honored tactics with which Japan has repeatedly browbeaten China.

But we may ask: "How does it happen that the Japanese financiers and the Hanyehping Company have close relations?" The answer is another revelation of the ingenuous process with which Japan has attempted to secure financial domination over China with the one hand, and to grasp economic control with the other. It is a process of political chemistry made possible by a combination of the economical and financial elements. The Hanyehping Company used to be a private concern which had under its control the Hanyang Iron Works and a number of coal and iron mines in the neighborhood. During the Revolutionary days of 1911, the finance of the Company was in such stringent straits that it made a loan of $10,000,000 from the Yokahama Specie Bank. For the interest of the loan, the Company stipulated to pay Japan 13,000 tons of iron ore on a fixed price, and the property of the Company was pledged as security. It was but natural that it should have fallen into Japan's firm grip.

THE MANCHURIAN QUESTION

The next thing we shall consider which contributes much towards Japan's economic position in China is the subject of railway development. But in considering this subject we cannot detach ourselves from the complicated Manchurian question, for it is largely in Manchuria where Japan has a number of railways under her control. Of course, the Manchurian question itself is altogether too complicated to be treated with any degree of clear-

ness in a limited space. In taking up the subject of Japan's railway enterprises in China in general and in Manchuria in particular, however, we may hope to shed some lucid light on the general situation in Manchuria which may be of help in the solution of the Chino-Japanese question.

It has been said again and again that Manchurian politics is largely railway politics, and in this statement we can certainly find more than a medium of truth. Of course, the whole problem began with the construction of the Chinese Eastern Railway by Russia, which was the culmination of Russian ambition of conquering China by iron and rail. Through years of political and diplomatic metamorphosis, however, the present Manchurian problem is no longer what it was ten or twenty years ago. The present problem is almost a Chino-Japanese problem, the Russian element being reduced to a negligible quantity. To study the present railway situation in Manchuria, therefore, one does not have to go further than the year 1905, when, as a defeated party in the war and as a penalty for it, Russia had to turn over to Japan whatever economic properties and commercial concessions and rights she had extorted from China in South Manchuria.

The railways acquired by Japan from Russia and turned over to the South Manchurian Railway Company were many in number, but the most important of all was the South Manchurian Railway, which was originally a part of the Chinese Eastern Railway, built by Russia to connect the Trans-Siberian line with the leased ports of Dalny and Port Arthur. By Article VI of the Portsmouth Treaty of peace, which concluded the Russo-Japanese war in 1905, this Russian main line from Changchun to

Dalny, with all its properties, including coal mines, which were formerly owned by Russia, passed into the hands of the Japanese Government. In the following year the South Manchurian Railway Company was organized, with an authorized capital of Yen 200,000,000 of 1,000,000 shares. To this company were turned over the branch lines of several hundred miles. Besides these lines, Japan has been granted the right to lay five other railway lines in Manchuria and Mongolia. Work of construction has already begun in 1917 on the line between Chengchiatun and Ssipingtze of some 50 miles, while that on the Kaiyuan Hailungcheng line, Taonanfu and Jehol line, and two other lines, will soon begin too. For the sake of convenience, we can divide the Manchurian railways into three classes; those actually under Japanese control, those under Japanese influence, and those which Japan has demanded the right to build. To the first class belong the South Manchurian Railway, the Mukden-Antung line, the Dalny-Port Arthur line, and the Suchiatun line; to the second class belong the Kirin-Changchun line, the Simmintun-Mukden line, the Ssipingtze to Chengchiatun line; and to the third belong those lines which Japan has demanded from China since the outbreak of the war. There are many other lines which, because of the secrecy that has been maintained about them by both Governments, cannot be given with any degree of accuracy.

Even the most casual perusal of the foregoing outline will bring home the fact that the whole of South Manchuria has speedily been enmeshed in a network of Japanese railways. There is no doubt that the Japanese have in their hands at present a perfected system of railways, which comprises the

lines from Port Arthur to Dalny, to Mukden, to Changchen, to Antung, to Kirin, and to other important cities in Manchuria, and which put them in a position to swallow up these eastern provinces at any convenient time they may choose. In no other instance does it seem to be truer that "the path of Empire is along the railway tracks." Students and observers of Japan's economic policy and railway enterprises in Manchuria can readily see that it is the railways, either completed or in the course of construction, that are the paths of Empire. They are the new weapons of a new style of foreign invasion—a peaceful invasion which can be carried on without bloodshed and without the crude and costly campaigns of warfare. It is by means of these railways that Japan proposes to carry on the struggle for the possession of the country, not by soldiers, but by an army of diplomatists, financiers, engineers, merchants, travellers, and immigrants. The fact that these railway lines are all policed by Japan and the fact that the cities which have grown up in the railway zone are all under the control of the Japanese Governor-General of the leased territory, have made the Japanese position in Manchuria, not only dominating, but domineering.

But this is not all. On August 1, 1917, the South Manchurian Railway was merged with the Chosen line. The Governor-General of the Kwantung leased territory, in whose hands now rests the administrations of the merged lines, commented on the drawing together of the Governments of Korea and of the leased territory through this combination. He expressed a fervent hope that the activities of the Oriental Colonization Company which was organized for the development of Korea and

the Bank of Chosen which has already established more than ten branches in Manchuria "will also afford fresh oportunities to bring south Manchuria and Chosen to a better mutual understanding." No one who is at all acquainted with the Manchurian situation will fail to understand the real significance of this merging. This is but one of the decisive and incisive steps of the process of peaceful penetration which has been going on so extensively in China in general and so intensively in Manchuria in particular. As a result of the diplomatic negotiations in regard to the twenty-one demands which Japan had served upon China in 1915, the term of the lease of the South Manchurian Railway and the Antung-Mukden Railway has been extended to a period of ninety-nine years. Thus "the date for restoring the South Manchurian Railway to China shall fall due in the 91st year of the Republic or 2002. Article XXI in the Original South Manchurian Railway Agreement providing that it may be redeemed by China after 36 years from the date on which the traffic is opened is hereby canceled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic or 2007." What a huge mistake the Chinese Government has made in agreeing to these preposterous demands, and yet what a clever stroke of pen it is by which Japan has virtually constituted herself the master of South Manchuria! Even the merest tyro of international politics can see without the least danger of being mistaken the deliberate, methodical, and step-by-step manner in which Japan has carried on her campaign of penetration. This fact is attested by those astute measures which Japan has adopted in South Manchuria and which have already been patent to the outside world. In-

teresting as the subject is, we regret that we have not sufficient time or space to go into the details of the matter. However, it will be sufficient to say that, by making all Japanese consuls and railway employes subject to the direct control of the Governor-General of the Kwantung leased territory, Japan has meant, and succeeded too, to establish the web of administration in South Manchuria; by extending policing rights wherever the new Japanese controlled and Japanese financed (which is the same thing) railways may go, Japan has manipulated to put South Manchuria virtually under Japanese control; by linking together the various railways betwen Korea and Manchuria, Japan has sought to obliterate the territorial difference between the two countries; and by unfair means of discrimination, such as railway rebates, government subsidies, and preferential duties, Japan has attained a position of commercial supremacy and has sought to control the economic resources of Manchuria. Her present position is that of a virtual master; her grip is tight, and her policy is not only aggressive but also exclusive. It is for China to wake up to the danger that has been menacing her territorial sovereignty, and it is for the United States and other Powers who have so gallantly championed the rights of weak nations to see that after one Prussia has been crushed in Europe no other should be allowed to arise in the Far East.

As to what Japan has been doing in Manchuria in other respects than economic and how the Japanese people have been behaving themselves in a foreign land, we can find no better description or information than what was told us by the Earl of Ronaldshay, who was in 1907 an eye-witness of Japanese conduct in Manchuria. What was true

in 1907 is still true to-day. "And it was here," wrote the Earl in his book *A Wandering Student in the Far East,* "that I began to find solid foundations for a growing feeling of irritation against Japan. In Manchuria, as in Korea, the military element was undoubtedly guilty of aggressive and arbitrary behavior. Land was appropriated without adequate payment; buildings were taken and the rents left unpaid; the reasonable representations of the Chinese authorities were scouted and ignored. A swarm of Japanese ne'er-do-wells had hit like a flight of locusts upon the land, a host of shameless courtesans plied their trade in the open market in the broad light of the day. Dishonesty in trade, the arbitrary appropriation of property without adequate payment, the shameless flaunting of vice in the streets,—all these things are cardinal sins in the eyes of the Chinese." And so they are. Who will consider them not? No civilized people will take them as matters of indifference as the Japanese do.

But we shall be greatly mistaken if we think that Japan's railway activities are confined to Manchuria. Latest revelations about Chino-Japanese secret agreements which have been entered into between these two countries during the four years of the World War are such as to warrant the belief that Japan has been attempting to get control of China's railway development, in disregard of or to the exclusion of all American and European interests. The demands of 1915 point in that direction; and the secret agreements concluded during the war confirm this belief. To give but one instance, we beg to refer to the Chino-Japanese notes exchanged on September 24, 1918. The number of railways which Japan has extorted from China is so large, and the terms of the agreements are so inclusive that if

they are carried out there will be no escaping for China from the assigned position of a Japanese dependency. It is fruitless for us to call for help when there is none in sight, but it will not be hopeless for us to believe that at the peace conference justice will take its due course. In order to show where the American public opinion stands on this matter, we beg to quote an editorial of *The New York Herald* of February 27, 1919, which comments on the Chino-Japanese secret agreements in the following language: "The secrets of the differences between China and Japan, now brought before the peace congress in Paris for settlement, lies in the agreements made last year by which China under pressure consented to allow Japan to build railway extensions in Shantung, Mongolia and Manchuria and, financing them with loans, practically to control them. Other foreign capital would be excluded and Japan would thus dominate the trade of the most densely populated region of the globe.

"Whoever owns the railroads owns the commerce which must use the railroads. They can make or break whole communities. Hence the Japanese would exercise virtual sovereignty over large portions of China and could prevent investments of capital by the Chinese themselves or by foreign corporations or governments. An inkling of this was shown in the protest against a contract awarded by China to the Siems-Carey Company in this country nearly two years ago, which was said to contravene some prior engagements by China.

"Now, these agreements with Japan have not yet been ratified and China is protesting against their enforcement, preferring the internationalization of all her railways rather than that they come under the exclusive control of her formidable

neighbor. This, too, is said to be the position of the foreign legations.

"In return for railway control Japan is willing to concentrate her troops at Tsingtao and withdraw from the civil administration of the district of Kiaochau, the former German colony which the Japanese captured with the asistance of British troops. China wants her to get out altogether and recalls the fact that when Japan summoned Germany to surrender the territory it was 'with a view to its eventual restoration to China.' Meanwhile the Japanese have invested large sums in the country. This is only a sample of some of the less intricate problems that the peace congress will have to settle."

In connection with the Manchurian question, we must not fail to notice one important fact that Manchuria has been transformed by Japan into an ignominious centre of Japan's opium and morphine traffic in China. The reason that lies behind this transformation is very simple. From the pecuniary standpoint of view opium and morphine and other narcotic drugs form the most lucrative trade in China as elsewhere. People who have had the habit of using those drugs will buy them at any price, and the price is increased hundredfold when their sale is prohibited by law. Under the protection of extra-territoriality, however, Japanese tradesmen in Manchuria carry on their opium and morphine traffic without the least molestation. The native Chinese are also induced to the trade by its huge profit, and by a false protection which the Japanese consuls in Manchurian ports are only too willing to furnish in the shape of a "citizen certificate." Not infrequently, therefore, the native Chinese who are

caught in this illegitimate traffic seek to avoid the punishment by producing the talismanic proof which certifies them either as Formasans, Koreans, or as Japanese. In face of such a situation, the Chinese Government has no choice but to turn them over to the nearest Japanese consul for punishment which consists in setting them free so that they may engage in the trade again! And from the geographical point of view, Manchuria is not only the next-door neighbor to Korea, but also Japan's strongest foothold in China by virtue of the Kwantung leased territory. The gate of entrance is, therefore, widely open to the Japanese who care to enter, and ninety-nine per cent. of those who do enter belong to the slums of Osaki, Tokio, and the never-do-well class. They are directly encouraged by their authorities to engage in this sort of illicit trade so that they can easily make a living. Their activity is first centered in Manchuria; but with the extending of Japan's political spheres of influence into Fukien and Shantung Provinces the morphine traffic has spread to all parts of China. In order to give an accurate description of the ways and means with which Japan has clandestinely carried on the morphine and opium traffic throughout China we reproduce here a summary which was first published in *The North China Daily News,* republished in *The New York Times,* and quoted in *The Oriental News and Comment*:

"Morphia can no longer be purchased in Europe. The seat of the industry has been transferred to Japan, and morphia is now manufactured by the Japanese themselves. Literally tens of millions of yen are transferred annually from China to Japan for the payment of Japanese morphia.

"The chief agency in the distribution of morphia

in China is the Japanese post-office. Morphia is imported by parcels post. No inspection of parcels in the Japanese postoffices in China is permitted to the Chinese Customs Service. The service is only allowed to know what are the alleged contents of the postal packages, as stated in the Japanese invoices. Yet morphia enters China by this channel by the ton. A conservative estimate would place the amount imported by the Japanese into China in the course of a year as high as eighteen tons, and there is evidence that the amount is steadily increasing.

"In South China morphia is sold by Chinese peddlers, each of whom carries a passport certifying that he is a native of the Island of Formosa and therefore entitled to Japanese protection. Japanese drug stores throughout China carry large stocks of morphia. Japanese medicine vendors look to morphia for their largest profits. Wherever Japanese are predominant there the trade flourishes. Through Tairen morphia circulates throughout Manchuria and the province adjoining; through Tsingtao morphia is distributed over Shantung province, Anhui and Kiangsu; while from Formosa morphia is carried with opium and other contraband by motor-driven fishing boats to some point on the mainland, from which it is distributed throughout the province of Fukien and the north of Kuangtung. Everywhere it is sold by Japanese under exterritorial protection.

"While the morphia traffic is large there is every reason to believe that the opium traffic, upon which Japan is embarking with enthusiasm, is likely to prove even more lucrative. In the Calcutta opium sales Japan has become one of the considerable purchasers of Indian opium. She purchases for For-

mosa, where the opium trade shows a steady growth and where opium is required for the manufacture of morphia. Sold by the Government of India, this opium is exported under permits applied for by the Japanese Government, is shipped to Kobe, and from Kobe is transshipped to Tsingtao. Large profits are being made in this trade, in which are interested some of the leading firms of Japan.

"It must be emphasized that this opium is not imported into Japan. It is transshipped in Kobe Harbor, from which point, assisted by the Japanese controlled railway to Tsinanfu, it is smuggled through Shantung into Shanghai and the Yangtze Valley. This opium is sold in Shanghai at $500 a ball, forty balls to the chest, a total valuation of about $20,000 a chest. China's failure to sell 'for medicinal purposes' her opium at $27,000 a chest, the price asked by the opium ring, is thus explained. The price is undercut by the Japanese. There is reason to believe that between January 1 and September 30, 1918, not less than 200 chests of opium purchased in India were imported into Tsingtao through Kobe.

"Upon this amount the Japanese authorities levy a tax, which does not appear in the estimates, equivalent to Tls. 4,000 a chest, a total for the 2,000 chests at the present rate of exchange of $10,000,000. The acquisition of this immense profit from a contraband traffic would explain the origin of those immense sums now being lavished upon the development of Tsingtao and the establishment there of Japanese commercial supremacy.

"It may be asked how it is possible that at Tairen, where the morphia traffic is greatest, and at Tsingtao, which is the chief center of the Japanese opium trade, the importation of this contraband con-

tinues without the knowledge of the Chinese Maritime Customs. At both Dalny and Tsingtao these offices are wholly under the control of the Japanese and wholly manned by them. Japanese military domination would forbid in both ports any interference in a traffic in which the Japanese authorities were interested either officially or unofficially. In Dalny the highest civic dignity has been conferred upon the chief dealer in morphia and opium.

"Moreover, in the case of Tsingtao, by the agreement which relinquished to Japanese the exclusive charge of the Chinese Maritime Customs, any trade in which the government is interested, contraband or not, can be carried on without the official knowledge of the customs. Article 3 of the Agreement of December 2, 1905, perpetuated in the agreement of August 6, 1915, provides that any goods landed in Tsingtao under 'certificates of government' shall be free from customs examination. The way has thus been opened, not only for the illegal import of opium, but of contraband in arms.

"The Maritime Customs returns of 1917 show that forty-five piculs of boiled opium were admitted to Tsingtao in 1917, but the actual amount probably was fifty times greater. The balance enters in cases stamped 'chun pung pin' meaning 'military stores,' and boxes so stamped are to be seen commonly in the Japanese drug stores along the Shantung Railway.

"In 1917 morphia to the amount of nearly two tons is recorded as having entered Tairen for use in the leased territory, but no morphia is recorded as having entered Manchuria from the leased territory during the year, nor does any entry of morphia appear in the Tsingtao customs returns for 1917. Yet

a competent witness, Dr. Wu Lien-teh, states that 'almost every Japanese drug dealer or peddler in Manchuria sells morphia in one form or another, and does so with impunity, because no Japanese can be arrested without first informing the consul."

It is thus evident that Japan is not only seeking economic domination over China but also social degeneration of the Chinese people. China has just fought one of the most heroic battles in suppressing the age-long habit of opium smoking, and while one curse is yet hardly disposed of, Japan is substituting in its place another that is infinitely worse. We do not wish to dilate on the subject; but we must point out that in either encouraging or acquiescing in this morphia and opium traffic, Japan is not only abusing the privilege of extraterritoriality which her nationals enjoy in China, not only violating the Opium Convention of 1909 to which Japan is a signatory, not only corrupting the Chinese people in the most vicious way, but also committing an outrage against the moral law of the entire civilized world. Unless Japan is morally bankrupt, unless the Japanese people can not do better, we must insist that this vicious and illicit traffic should be stopped. The well-being of the Chinese people demands it; the moral sense of the entire civilized world demands it. The case is not one between China and Japan alone; it is one between the civilized world on the one hand and Japan or the Japanese Government on the other.

JAPAN'S POLITICAL SCHEMES

It may be asked how Japan has come to wield such a sinister influence over China? How could China as a sovereign state yield so much that is

totally incompatible with her own rights of existence? The Europeans and very likely the majority of the Americans might be inclined to think that the Chinese Government is as pliant as a gold wire and the Chinese people are as soft as wax, so that in the hands of the Japanese, they can be moulded in whichever way that will serve the purpose of the Japanese Government. This is what the followers of the Darwinian theory would call "non-resistible," but it is an entirely erroneous conception. The Chinese people are just as honorable, as self-respecting, and as country-loving as any other people in the world, and to insinuate as if they were made of clay will be a great perversion of justice. We know that there are times when nations, like individuals, have to yield before *force majeure* what is most valuable and dearest to them. Confronted with a highwayman in a narrow pass even in broad daylight, with a pistol pointing at your head and saying "Give me your money or your life," the moment left for deliberation is short and the choice is too apparent. Of course, there are a number of reasons why Japan has held such a predominant position in the Far East and why she has attained such a domineering position in China. Geographical situation accounts for it in the first place, and her naval and military strength is the real thing that backs her up in all her diplomatic movements in China. These are factors which are patent to the outside world, and to recapitulate them will be merely wasting time. There are, however, other factors which are not generally known to the world and which for want of a better name we call "Japan's political schemes." It is on these schemes that we shall endeavor to shed a beam of light so that the world may learn

the clever and ingenious designs which Japan has employed in undermining China.

In December, 1916, Japan carried out one of her pet schemes by launching a dastardly attack upon the sovereignty of China (We are now giving concrete examples instead of generalising what Japan has done). The tactics Japan employed was nothing but usual. In the city of Amoy, Japan established a police-station without the knowledge or permission of the Chinese Government. Japan attempted to justify her action on the ground that Amoy was a treaty port where a large number of Japanese and Formosan subjects resided and that the police-station was established in order to control her nationals more effectively the same old argument which has been repeatedly advanced by the Japanese Government in similar assaults elsewhere. Never mind what the Japanese Government might say—in such and similar cases Japan has always a good deal to say, the grim fact remains. The establishment of a police-station in a Chinese city by the Japanese, in Amoy or elsewhere, is a distinct breach of China's sovereignty, pure and simple. Amoy is a treaty port, indeed; but foreign trade and residence has been restricted in Amoy as in Shanghai, Hankow, and other treaty ports in China, both in theory and in practice, to special demarcated areas. If Japan could establish a police-station there in order to control her nationals more effectively, there is nothing that could prevent the other treaty powers from doing the same thing. It is difficult to understand why Japan should engineer such a scheme at all. "The new Chinese police which are being distributed in ever greater numbers throughout China form an admirable force and are superior to Japanese police in the performance of

nearly all their duties. It is monstrous that Japan , ... should act in such a reprehensible manner when the Chinese administration is doing all it can to provide efficient guardians of peace."

But this is not the only incident. That Japan has persistently sought to usurp China's jurisdictional rights is attested by a number of untoward acts of similar nature. The one that has become so notorious of all is the Chengchiatun fracas. The facts about the whole incident are incredibly simple. Chengchiatun is a small Mongolian-Manchurian market town, lying some sixty miles west of the South Manchurian Railway. In spite of the fact that it is not open to foreign residence or trade, the Japanese have established a small trading community there. On the 13th of August, 1916, a Chinese boy selling fish was approached by a Japanese who wanted to buy the fish at his own price. On the boy refusing to sell at the price offered him, the Japanese got hold of him and beat him with the help of a Japanese police officer. It was precisely in this way that the incident, trifling in itself, brought about an armed conflict between the Chinese on the one side and the Japanese soldiers on the other. Without entering into the merits of the case, the Japanese Government at once made a series of demands upon China. They included among other things (1) the stationing of Japanese police officers in places in South Manchuria and Eastern Inner Mongolia (2) employment of a certain number of Japanese military officers as instructors in Chinese military schools. The merest tyro of the Chino-Japanese question can see at once that Japan was bent upon gaining new rights and new privileges regardless of what foul means she might employ. To understand the case completely, however, it is neces-

sary to remember that Chengchiatun is and never has been open to foreign trade or residence, that Japan has no moral or legal right to station police officers there, and that Japan is violating China's territorial integrity by placing Japanese soldiers in an inland city without the permission or knowledge of the Chinese Government. The whole incident was, however, nominally closed in January, 1917, by China acceding to some of the outrageous demands which no other government would consider for a moment. But according to Putnam Weale, the wound has not yet been healed. "The question of Japanese police rights in South Manchuria and Eastern Inner Mongolia was left precisely where it had been before, the most vigorous Chinese protests not having induced Japan to abate in the slightest her pretensions. During previous years a number of Japanese police-stations and police-boxes had been established in defiance of the local authorities in these regions, and although China in these negotiations recorded her strongest possible objection to their presence as being the principal cause of the continual friction between Chinese and Japanese, Japan refused to withdraw from her contention that they did not constitute any extension of the principle of extraterritoriality, and that indeed Japanese police, distributed at such points as the Japanese consular authorities considered necessary, must be permanently accepted. Here then is a matter which will require careful consideration when the Powers meet to revise their Chinese treaties as they must revise them after the war."

Next to the demanding and usurpation of China's sovereign right of establishing police forces, we should consider Japan's attempt to make China employ Japanese advisors as the cleverest trick.

Of course, advisors are of different kinds, and bearing different titles, financial, political, legal, constitutional, military, and what not. But they all serve only one purpose. They are all employed and paid for by the Chinese Government, yes, but whom do they serve? *They do not advise the Chinese Government by which they are thus employed as advisors; they advise the Japanese Government.* Just one instance to make the statement clear. One Fushihara was appointed by the Chinese Government to the Bank of Communications early in 1918. What did he do? Instead of advising the Bank in the matters of reform and improvement, he assisted Nishihara, a Japanese secret agent (of whom more anon) in his nefarious plottings of plunging China into financial serfdom. Fushihara often acted as a go-between in financial dealings between the Prime Minister of Japan and a clique of Chinese officials; he acted as the handmaid of the Japanese secret agent, initiating him to the official byways which were yet unknown to the new arrival; at one time, Fushihara was even charged of being Japan's financial spy, having from time to time supplied his master, Count Terauchi, with all the information concerning China's financial schemes in general and the credit of the Bank of Communication in particular.

In the case of Dr. Ariga, another Japanese advisor to the Chinese Government, we notice a different trick used, more subtle and yet far more sinister than anything that a mere spy can bring about. He gave advice freely. His advice is however, not wise, but otherwise. It was this learned doctor who advised Yuan Shih-Kai that a monarchical government was better suited to China; it was the same learned doctor who was among the first to acknowl-

edge Yuan as the Emperor of a new dynasty; and it was he who advised Li-yuan-hung to dissolve the Parliament as a matter of expediency. Advice is cheap, as the proverb goes; but cheap advice is yet better than ill-advice which is the only sort of advice that the Japanese legal advisor to the Chinese Government can give. Here is the judgement and opinion of a trained journalist who was a resident in China when these dramatic events took place. Apropos of the question of advisors, Putnam Weale has this to say: "Thus Dr. Ariga, the constitutional expert, when called in at the last moment for advice by President Li-Yuan-hung, had flatly contradicted by Dr. Morrison, who with an Englishman's love of justice and constitutionalism had insisted that there was only one thing for the President to do—to be bound by legality to the last no matter what it might cost him. Dr. Ariga had falsely stated that the issue was a question of expediency, thus deliberately assisting the forces of disruption. This is perhaps only what was to be expected of a man who had advised Yuan Shih-Kai to make himself Emperor—knowing full well that he could never succeed and that indeed the whole enterprise from the point of view of Japan was an elaborate trap."

The question naturally arises: why should the Chinese Government appoint any Japanese advisors at all, if such have been their services? The answer is simple enough. In nine cases out of ten, Japanese advisors are imposed upon the Chinese Government. They are appointed, not because that China needs them, but because, euphemistically speaking, they need China. To be more specific, Japan is behind every appointment of her nationals to important financial, political, and military posi-

tions in China, and through these advisors, Japan hopes to make a dependency out of China. We cannot go into the diplomatic background of all the appointments of Japanese advisors, but the trick by which China was forced to appoint Dr. Sakatani as financial advisor is most interesting, most ingenious and most typical, and one that we cannot afford to leave in darkness.

Before his coming to China, Dr. Sakatani started a rumor, in the nature of a personal press campaign, that he was going to be appointed as the financial advisor. This newspaper publicity heralded his coming and prepared the public mind for what was to come. He traveled in China from north to south, giving interviews to newspaper reporters everywhere he landed, setting forth his learned views as to the needs of China's financial reform and the ways and means of carrying it out. In spite of this press campaign and the exposition of his profound knowledge on financial matters, the Chinese Government never dreamed of offering him such a job as the learned doctor had planned out for himself. The Chinese Government remained cold and firm, being afraid that Dr. Sakatani was but another of those secret agents or spy-advisors of the Japanese Government who are the forerunners of the battalion that seeks the undoing of China. But here the trick commenced to work, as everything else had failed. It consisted in arranging a provincial loan, with a Governor, then withdrawing it at the last moment, leaving the Governor to discover that it was the refusal of the Central Government to appoint a Japanese financial advisor which had really brought about the deadlock. In order to get the money necessary to pay off the provincial soldiers and to maintain peace and order in the province, it

is but natural that the Governor should bring pressure to bear on the Central Government for removing the obstacle by complying with the appointment desired. Here is a typical instance. "General Lung Chi-kwang, Inspecting Commissioner of Kwantung and Kwangsi, who is trying to hold the former province (during the recent revolution) for the Government wanted to make a loan of $400,000 from the Yokahama Specie Bank, with $2,000,000 first year bonds as security. On Thursday (May 18, 1918) the Peking Government, anxious for the loyalty of the province, approved of the loan. All the details of the loan were subsequently arranged. But on Friday afternoon, May 19, the Yokahama Specie Bank received a telegram from its headquarters in Tokio stating that in future no money should be lent to China for fighting purposes. Other loans for fighting purposes are however being negotiated, but objection is raised to this one. And why? General Lung is an important figure in Kwantung, and his loyalty must be retained by all means. Japan's refusal to lend him money will send him in quest of reasons, and when he is told by a Japanese friend that it is a question of the employment of merely a Japanese financial advisor, he will bring sufficient pressure to bear upon the Peking Government and secure for Dr. Sakatani the appointment so that his loan can be concluded." And so he did!

Another political method which Japan has adopted in her dealings with China is the sending of Japanese secret agents. They may be financial, military, naval, or commercial in character, each being an expert along a special line. Their presence in the Chinese communities and among the political circles can be felt, not seen. Or, in better language, their influence is felt more keenly than

their presence. Instances are so numerous that to give them all would require considerable length, but the latest specimen of a political monster of this type is found in the person of one Nishihara who is said to be one-time director of the Chosen Bank. Nishihara—the name itself makes one smell a rat—is one of several secret agents sent to China by Count Terauchi during his Premiership. The Count is known to be bent on applying to China the same method he used in Korea while he was Governor-General in exploiting and then obtaining the complete subjugation of that unfortunate country. Nishihara was first sent to China in 1917 before China's declaration of war against Germany and Austria-Hungary in quest of new concessions. His second secret mission to China was in connection with the Arms Loan, the successful conclusion of which brought to him a great personal triumph. And like the shadow of the ghost in Macbeth, Nishihara appeared on the Chinese stage for the third time when he was entrusted with the mission of securing China's wine and tobacco monopoly. Well-informed people in Peking, and particularly the foreign diplomatists, unanimously agree that Nishihara is responsible for many of the secret loans contracted by the Chinese military leaders for military purposes. In other words, he is the *deus ex machina* of all the underhand transactions between a group of wilful and ignorant military leaders in China, and the selfish, intriguing and ambitious politicians in Japan.

This is not so bad. The worst is yet to come. One favorite scheme of Japan in undermining the political stability of the Chinese Republic consists in arranging, organizing, and subsidizing insurrections in China when and wherever necessary. It is

said that secret agreements have been entered into between the revolutionary party in China and numerous wealthy merchants and politicians in Japan. Whether it is true or not, it is not an important question. The thing of importance is the undisputed fact that in the successive revolutions in China, in 1911, in 1913, and in 1917, the Chinese revolutionaries were amply supplied with Japanese money, Japanese arms, and Japanese soldiers and military instructors. When the revolutionary leaders visited Japan either for the purpose of concluding new loans or for the purpose of getting more military supplies, they were invariably entertained by Japanese Chambers of Commerce, fêted by Japanese politicians, and received and welcomed by Japanese officials, in open defiance of the Peking Government which was supposedly on friendly terms with Japan. When the revolution failed, the ringleaders inevitably and invariably took flight to Japan where they could always find their heaven on earth and gather together their remnants for a new outbreak. On the other hand, the Peking Government was often in such cases diplomatically assured of Japan's sympathy, amply supplied with the sinews of war, and encouraged as to the desirability of suppressing the revolution. By following such a line of tactics, Japan was not only currying favor with both sides, not only prolonging the civil war or making it more fierce, not only undermining China's constitutional stability, but she was also enjoying the genuine pleasure of fishing in the troubled waters whereby she could net the greatest results in the shortest possible time. In other words, Japan was carrying out as she has always done a divide-and-rule policy in China.

Just one more instance, and we shall consider

our task done. In August, 1918, the same trick of dividing up China was repeated when the document signed by Dr. Wu Ting-fang, Minister of Foreign Affairs of the Revolutionary Government at Canton, was presented to the foreign legations in Peking, asking for their recognition. Baron Hayashi, then Japanese minister at Peking, took this opportunity to sound the views of the allied and American Ministers and intimated the wish of the Japanese Government to accord recognition to the Southern Military Government. Fortunately for China, however, no encouragement was given by the allied diplomats to the Japanese intimation. As she could not play the game single-handed, Japan had no other choice but to give up the idea for the time being. But curiously enough, an editorial of the *Osaka Mainichi* of August 30, blamed it all on the American Government. "Regarding this question of recognition," the editorial says, "although the Japanese Government may take similar actions with the Allies, yet it is feared that the United States may take the initiative at any moment as in the case of the Allied expedition to Vladivostock. In such a case, the Japanese Government will have to change its former policy, which has been in support of the Peking Government (*sic*) and accept the proposal of America to recognize the Canton Military Government." The trick was very clever, but the tactics resorted to in this case was highly reprehensible. It was more than the usual scheme of *divide et impera*; it was more than an effort to camouflage Japan's own real intention of recognizing the Canton Government. It was a dastardly and venomous attempt to estrange the friendly relations between China and the United States by making the Peking Government believe

that it was the latter that really essayed for the recognition of the revolutionary government!

JAPANESE DIPLOMACY

Such are the nefarious schemes which Japan has resorted to in the undermining of the Chinese Republic and in building up her own influence in China. Such are the political aims and economic ambitions which the Japanese Empire seeks to realize in the neighboring Republic which is not so helpless as it is impotent. We must admit that what has been said in the foregoing pages about Japan's political schemes, economic ambitions, and territorial aggressions is but one tithe of the story and it is not too much to say that the whole diplomatic history of Chino-Japanese relations of the last twenty or thirty years is but a black record of bold-faced swindling and double-dealing which is unsurpassed by the Machiavellian practices of mediaevel times. Japan has essayed in more ways than one for territorial expansion in China; Japan has endeavored to control China's finance; Japan has determined to block China's economic development so that she can exploit the riches herself; and Japan has greatly undermined China's political stability by those sinister and cruel designs and schemes which we have just pointed out. These are the straws which indicate in an unmistakable fashion the direction in which Japan's diplomacy is blowing. Undoubtedly, as it is physically impossible otherwise, the boat has to follow the sail in the direction in which the wind blows. The Japanese ship of state has been sailing for the last four years on comparatively smooth water; but with the returning of the political storm to the Far East, the Pacific Ocean will cease to be pacific,

and diplomatic dealings with China will be no longer such easy plain sailing.

Without plying too deeply into the subject, we can safely assume that ever since her emergence as a world power Japan has maintained a double standard diplomacy, one for use with the strong powers—such as the United States, Great Britain—and the other for weak nations—such as Siam and China. That is, in her relations with Europe and America, Japan has shown a studied and careful observance of the traditions of diplomacy and the established rules of international law, while in her relations with weak neighbors she has constantly resorted to the use of brutal tactics of military diplomacy which she has copied from her Teutonic master. Cajolement and dissimilation characterize the former, force and threat distinguish the latter. What Japanese diplomacy has been trying to accomplish in Europe and in the United States is to, in the words of Viscount Hayeshi, "lull the suspicions that have arisen against her," and to make black white by organized publicity, in order that Japan may be able to continue her sinister game in China unquestioned and unchecked, until events have already gone too far for checking. What Japanese diplomacy has been trying to accomplish in China is to browbeat her, to exploit her, to squeeze her, to dominate her, to close the open door, to undermine her political stability, to get hold of everything worth having, and to reap all the benefits to the exclusion of all other interests, quietly if possible, openly if otherwise. That is what Japan has been seeking after. Those who have learned the inner workings of the Japanese mind and the vaulting ambitions of the Japanese Government will chuckle at the moderation of this statement.

"It is extremely hard to discuss the question of Japan," writes the author of *The Fight for the Republic in China*, "for the benefit of an exclusively Western audience in a convincing way, because Japanese policy has two distinct faces, which seem utterly contradictory, and yet which are, in a great measure, understandable if the objects of that diplomacy are set down. Being endowed with an extraordinary capacity for taking detached views, the statesmen of Tokio long ago discovered the necessity of having two independent policies—an Eastern policy for Eastern Asia and a Western policy for Western nations—because East and West are essentially antithetical and cannot be treated in precisely the same manner. Whilst the Western policy is frank and manly, and is exclusively in the hands of brilliant and attractive men who have been largely educated in the schools of Europe and America and who are fully able to deal with all matters in accordance with the customary traditions of diplomacy, the Eastern policy is the work of obscurantists whose imaginations are held by the vast projects which the Military Party believes are capable of realization in China." It is the observation of an expert on the Far Eastern question, and as such it merits careful consideration. We are glad that we are not the only ones who have believed that Japan has maintained a double-standard diplomacy.

The key to Japanese diplomacy, however, is to be found in Japan's military and naval strength, which constitutes her claim to a seat among the family of great nations. On this point we are absolutely sure that Japan cherishes no illusions. Her statesmen know very well wherein lies the source of Japan's diplomatic influence. It was

Count Okuma who made this point clear beyond doubt. "Diplomacy," he said, "to be really effective and successful must be backed by sufficient national strength. It is only ten or fifteen years since Japanese diplomacy began to carry weight with foreign countries, and it began from the time that Western Powers commenced to recognize Japan's military strength." And so it is true Japanese diplomacy was nothing before the Chino-Japanese war. Japanese diplomacy is everything after the war. The Far East which was a happy hunting-ground for the European Powers ceases to be such with the rise of Japan. In 1902 the first Anglo-Japanese alliance was concluded; in 1904 it was renewed. Russia and Japan, which were at each other's throats in years immediately before 1904, became fast, warm friends after the war. France was also ready to enter into diplomatic understanding with the Empire of the Rising Sun, while the United States thought it convenient to make a Gentleman's agreement. We have thus a diplomatic web, thickly woven, with Japan at the center as the industrious spider. But why were the United States and the European Powers so glad of taking Japan's hand and following her lead? Well, it was because of her military and naval strength, which is an omnipotent factor in international politics. It is because of her predominant position in the Far East, which is backed up and sustained by her fighting strength. There is no denying that Japan, just because of her position and power, has assumed a leading role in the Far Eastern politics. Like an octopus living in the turbulent waters of modern diplomacy, she stretches out her arms in all directions, joining a friend here and an ally there. It is a natural thing to do, but those

who have fallen into the tentacles must know how tight is the grip.

We have noticed these different international agreements. The Anglo-Japanese alliance of 1904 (which was again renewed in 1911), the Russo-Japanese agreement of 1907 and the Franco-Japanese Convention of the same year. With these combinations with the European Powers, Japan succeeded in forming an envious triangle in which she could continue to weave her diplomatic web and from which she expected nothing but acquiescence in her China policy. It was Japan's policy to form a ring of nations who were either in favor of or at least in sympathy with the Japanese ambition to exploit China. Germany, whose activities in China were at one time very much dreaded by the Nipponese, was not admitted into the charmed circle. Japan meant to isolate her in Chinese affairs diplomatically. But the United States, as the only Power who has been sincerely but disinterestedly interested in China could not be disposed of so easily. Its company was not welcomed by Japan, but its presence could not very well be refused. Happily the Japanese school children question in San Francisco furnished the desired occasion of making a new declaration of American and Japanese policy in China. The Root-Takahira Agreement was the result. The triangular combination thus became a four-cornered understanding.

All these agreements seemed innocent enough at first sight, but going beneath the diplomatic verbiage which clothed them all we find that in bringing them about , Japan was actuated by the most sordid motives. In the first place, Japan sought to identify her policy and her aims with those of the other Powers,

so that in all Chinese affairs she could assume a leading role, coud act as the spokesman of the whole group. In other words, having bound themselves to the stipulated conditions, other Powers could not act without Japan's consent. On the other hand, Japan sought by these agreements to "lull the suspicions that have arisen against her." These agreements were so many "scraps of paper" as far as Japan was concerned; they were never meant to be effective. Their only use was perhaps to soothe the sensibilities of the Chinese people and the world at large who might be shocked by the sordid nature of Japan's diplomatic dealings with China. This is the essence of Japanese diplomacy, and this is what Japanese diplomacy has been trying to accomplish.

THE OPEN DOOR POLICY

It must be remembered, however, that in Far Eastern politics nothing occupies so much attention or has been more talked about than the Open Door Policy. No matter what is Japan's imperialistic ambition, no matter how often the Japanese Government has been browbeating China, and no matter whether the Open Door is a fact or a fiction, Japan has indeed professed that it is her policy in China. We have noticed that what Japanese diplomacy has been trying to accomplish in China is to browbeat her, to exploit her, to squeeze her, to dominate her, to undermine her political stability, to get hold of everything worth having, and to reap all possible benefits to the exclusion of all other interests—quietly if possible, openly if otherwise. This is an established fact, we all know. Yet in the same breath Japan professes that she

is the champion of the Open Door policy. History records the different international agreements which Japan has entered into, either for the altruistic purpose of maintaining the peace in the Far East or out of her pure chivalry to guarantee the territorial integrity of China and to maintain the open door policy! The Anglo-Japanese alliances, the Franco-Japanese Convention, the Russo-Japanese Conventions and secret treaties, the Root-Takahira Agreement, and lately the Lansing-Ishii Agreement are part and parcel of the entire outfit which the Japanese statesmen and diplomatists have used in their international jugglings in regard to the maintenance of the Open Door Policy in China. Without examination into the intentions and motives that were behind these international agreements, these efforts to maintain the Open Door policy are highly admirable. Keeping in mind, however, the Japanese conduct in Manchuria, in Shantung and in Fukien, indeed the whole diplomatic relations between China and Japan since the Russo-Japanese war, one is at a loss to see whether Japan has understood the policy rightly or wrongly. The policy which Japan pursues is certainly not the Open Door policy. As far as we can comprehend the question, what Japan has understood of the Open Door policy is that it is a merely diplomatic principle, discussed among foreign powers as one worthy of following but one having no binding force upon themselves in their dealings with China. It is pleasing to speak of it and to talk about it, but it is contrary to Japan's imperialistic interest to carry it into practice.

About the Open Door policy there is, indeed, an imposing array of international agreements, as those mentioned above. How much they are worth

is a question that can be best answered by the respect which Japan and the other Powers have paid to it. In such a case, deeds always speak louder than words. No nation is more eloquent in the defence of the Open Door policy than Japan, and no nation appears more anxious and earnest for its maintenance than the Nipponese Empire. But look at Japan's record in China! Look at the diplomatic by-path which she pursues in China! One will be shocked at her deliberate efforts in closing up the open door. Attack after attack is launched against the Chinese Republic, and incidents of violating the Open Door policy have occurred again and again. Not to say Japan's unfair means of economic discrimination in Manchuria, not to mention her conduct in Shantung and Fukien, let us all remember the "twenty-one demands" which Japan pressed upon the Chinese Government in 1915. We do not propose to comment upon the demands *seriatim*—to do this would take up too much space—but we beg to reproduce the infamous document so that the world at large may learn how much the Open Door Policy has meant to Japan and how much she has respected it. Here follows "the twenty-one demands:"

"Japan's Original Twenty-one Demands"

Translations of Documents handed to the President, Yuan-shih-kai, by Mr. Hioki, the Japanese Minister, on January 18th, 1915.

GROUP I

The Japanese Government and the Chinese Government being desirous of maintaining the general peace in Eastern Asia and further strengthening the friendly relations and good neighborhood

existing between the two nations agree to the following articles:

Article 1. The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests and concessions, which Germany, by virtue of treaties and otherwise, possesses in relation to the Province of Shantung.

Article 2. The Chinese Government engages that within the Province of Shantung and along its coast no territory or island will be ceded or leased to a third Power under any pretext.

Article 3. The Chinese Government consents to Japan's building a railway from Chefoo or Lungkow to join the Kiao-chou-Tsinanfu railway.

Article 4. The Chinese Government engages, in the interest of trade and for the residence of foreigners, to open by herself as soon as possible certain important cities and towns in the Province of Shantung as Commercial Ports. What places shall be opened are to be jointly decided upon in a separate agreement.

GROUP II

The Japanese Government and the Chinese Government, since the Chinese Government has always acknowledged the special position enjoyed by Japan in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

Article 1. The two Contracting Parties mutually agree that the term of lease of Port Arthur and Dalny and the term of lease of the South Manchurian Railway and the Antung-Mukden Railway shall be extended to the period of 99 years.

Article 2. Japanese subjects in South Manchuria and Eastern Inner Mongolia shall have the right to lease or own land required either for erecting suitable buildings for trade and manufacture or for farming.

Article 3. Japanese subjects shall be free to reside and travel in South Manchuria and Eastern Inner Mongolia and to engage in business and in manufacture of any kind whatsoever.

Article 4. The Chinese Government agrees to grant to Japanese subjects the right of opening the mines in South Manchuria and Eastern Inner Mongolia. As regards what mines are to be opened, they shall be decided upon jointly.

Article 5. The Chinese Government agrees that in respect of the (two) cases mentioned herein below the Japanese Government's consent shall be first obtained before action is taken:

(a) Whenever permission is granted to the subject of a third Power to build a railway or to make a loan with a third Power for the purpose of building a railway in South Manchuria and Eastern Inner Mongolia.

(b) Whenever a loan is to be made with a third Power pledging the local taxes of South Manchuria and Eastern Inner Mongolia as security.

Article 6. The Chinese Government agrees that if the Chinese Government employs political, financial or military advisers or instructors in South Manchuria or Eastern Inner Mongolia, the Japanese Government shall first be consulted.

Article 7. The Chinese Government agrees that the control and management of the Kirin-Changchun Railway shall be handed over to the Japanese Government for a term of 99 years dating from the signing of this Agreement.

GROUP III

The Japanese Government and the Chinese Government, seeing that Japanese financiers and the Hanyehping Company have close relations with each other at present, and desiring that the common interests of the two nations shall be advanced, agree to the following articles:

Article 1. The two Contracting Parties mutually agree that when the opportune moment arrives the Hanyehping Company shall be made a joint concern of the two nations and they further agree that without the previous consent of Japan, China shall not by her own act dispose of the rights and property of whatsoever nature of the said Company nor cause the said Company to dispose freely of the same.

Article 2. The Chinese Government agrees that all mines in the neighborhood of those owned by the Hanyehping Company shall not be permitted, without the consent of the said Company, to be worked by other persons outside of the said Company; and further agrees that if it is desired to carry out any undertaking which, it is apprehended, may directly or indirectly affect the interests of the said Company, the consent of the said Company shall first be obtained.

GROUP IV

The Japanese Government and the Chinese Government with the object of effectively preserving the territorial integrity of China agree to the following special articles:

The Chinese Government engages not to cede or lease to a third Power any harbour or bay or island along the coast of China.

GROUP V

Article 1. The Chinese Central Government shall employ influential Japanese advisers in political, financial and military affairs.

Article 2. Japanese hospitals, churches and schools in the interior of China shall be granted the right of owning land.

Article 3. Inasmuch as the Japanese Government and the Chinese Government have had many cases of dispute between Japanese and Chinese police to settle cases which caused no little misunderstanding, it is for this reason necessary that the police department of important places (in China) shall be jointly administered by Japanese and Chinese, or that the police departments of these places shall employ numerous Japanese, so that they may at the same time help to plan for the improvement of the Chinese Police Service.

Article 4. China shall purchase from Japan a fixed amount of munitions of war (say 50% or more) of what is needed by the Chinese Government, or that there shall be established in China a Sino-Japanese jointly worked arsenal. Japanese technical experts are to be employed and Japanese material to be purchased.

Article 5. China agrees to grant to Japan the right of constructing a railway connecting Wuchang with Kiuking and Nanchang, another line between Nanchang and Hanchow, and another between Nanchang and Chaochou.

Article 6. If China needs foreign capital to work mines, build railways and construct harbour-works (including Dockyards) in the Province of Fukien, Japan shall be first consulted.

Article 7. China agrees that Japanese subjects

shall have the right of missionary propaganda in China."

There is no need to waste time and space to point out how these sinister demands are diametrically opposed in letter and spirit to the open door policy. Indeed, Japan's conduct in China has been such that it is impossible to reconcile her words with her deeds. It is, however, bare justice to China to say that Japan's diplomatic conduct in China for the last twenty years has been marked by continued insolence, persistent obstruction, and nefarious contumacy, as China's dealings with Japan have been distinguished by forbearance and conciliation. Any one who happened to be in the Far East in 1915 and had breathed the foul atmosphere of the secret negotiations of the twenty-one demands could not fail to have been conscious of the doom that seemed to be hanging over the Chinese Republic. Here is the best summing up of the situation by an American authority. Prof. Hornbeck says: "Whatever her intentions, Japan has accomplished in regard to China at least five things: She has consolidated her own position in Manchuria; she has driven Germany out of Shantung and constituted herself successor to Germany's rights; she has given warning that she considers Fukien an exclusive sphere for Japanese influence; she has undertaken to invade the British sphere of influence; and she stands in a position to menace and to dictate to the Peking Government. A glance at the map of north China will show how completely Peking is at Japan's mercy. In control of Port Arthur and of the Shantung peninsula, Japan commands the gulf of Pechili, which is the doorway by sea to Tien-tsin and Newehwang. In possession of Tsingtao, and virtually of Antung, Japan thus com-

mands every important port and harbour. With the Manchurian railway penetrating the heart of Manchuria and the Shantung Railway extending to the heart of Shantung—and with the right to extend the latter line to join the Peking-Hankow line —Japan is in a position, should she so chose, at any moment, to grind Peking between the millstones of her military machine. So far as strategy is concerned, Japan has north China commercially, militarily, and politically at her mercy."

CONCLUSION

We have here before us in outline Japan's political ambitions and economic designs in China, and the deadly germs of the Chino-Japanese question. No one who has followed the story as given in the preceding pages can fail to understand that Japan is really at the bottom of the whole trouble. It is Japan who has repeatedly browbeaten China; it is Japan who has been after territorial expansion on the continent; it is Japan who has sought after the control of China's finance; it is Japan who has been trying to get hold of anything and everything worth having in China; and it is Japan who has repeatedly helped the revolutionists in China to start and organize rebellions which are sure to undermine the delicate constitution of the infant republic. We know that when the Chinese Government asked for a revision of the existing tariff at the ridiculous rate of five per cent. ad valorem, Japan objected; we know that when the Chinese Government made a loan from the American capitalists for Manchurian development, Japan objected; we know that when the Chinese Government decided to construct a railway from Sin-min-tun to Faku-

man in Manchuria, Japan objected. Indeed, there has not been a single instance of which Japan can boast as proving her much advertised intention of helping China. On the very contrary, Japan has been doing her level best, moving heaven and earth, to block China's economic development, to make herself the virtual master of her giant neighbour, and to injure the prestige of the Chinese Republic abroad and its reforms at home. To the outside world which is not at all acquainted with the truth of the Chino-Japanese relations, and to those who have looked at the Chinese question only through the Japanese spectacles, the seven-years-old Republic seems to be a spineless nation. The truth of the matter is that the back-bone of China has been broken by Japanese attacks. China has not been able for the last twenty years either to stand up or sit down long enough not to be bothered by Japanese encroachments. In such precarious predicament China has found herself ever since the year of Chino-Japanese War. It is high time that she should be enabled to get out of it, and it is necessary that the United States and the European Powers who have fought the war for justice and for the rights of the weak nations should lend a helping hand to China. The infant Republic is not only struggling for justice—the Republic is also struggling for existence. In the words of President Wilson, we venture to ask, "Shall strong nations be free to wrong weak nations and make them subject to their purpose and interest? Shall there be a common standard of right and privilege for all peoples and nations, or shall the strong do as they will and the weak suffer without redress?" Upon a correct answer to these questions depends the solution of the Chino-Japanese question. Japan, a mil-

itant, conquering and colonising nation, has been engaged in the grim endeavour to become, not only the leading commercial and industrial state in the Far East, but also a dominating power over the Chinese Republic. While the latter country, the home of a peace-loving and law-abiding people, is struggling for existence against great odds, against foreign domination, and against the onerous burdens which had been thrust upon her shoulder in the early days of foreign intercourse. If the Chino-Japanese question is to be solved at all, the solution lies in setting China on her feet again. The best and the only way to do it is to take Japan out of the ring, or at least to stop Japan's sinister designs upon China, and to remove those crushing burdens under which China has been chafing for the last score of years. When this is done, the Chinese Republic will be free to develop itself, A free and strong China is itself a solution of the Chino-Japanese question.

This brings us back to the point where we have started. The peace conference at Versailles must take into serious consideration that the world will have no peace, no permanent peace, unless the Far Eastern question (which is a Chino-Japanese question as we have proved) is settled, and settled right. It will be worse than chronic folly to blink at this potential source of future trouble, when it is perfectly possible to remove all the dangerous germs that have been fermenting the Far Eastern yeast. It will be little short of crime to be indifferent to the cries for justice when justice does not only mean fair and impartial treatment but also future peace of the world. The war is fought to make the world safe for democracy; but the world will not be safe for

democracy, until the autocratic, the bureaucratic, and the monarchical governments are either entirely wiped out if possible or made impotent to harm the democratic institutions. The war is also fought to make the rights of the small and weak nations respected; but the rights of the small and weak nations will not be respected, unless the strong nations who have been in the habit of violating them are restrained. It is Japan, the autocratic and bureaucratic Japan, who started Yuan Shih-Kai on the monarchical venture in 1915-16. That Japan does not wish to see a strong China with an efficient Republican government is an admitted fact. It is Japan, the imperialistic and militaristic Japan, who made the twenty-one demands upon China. That Japan has bullied China and repeatedly violated her sovereign rights, is patent to the entire world. Do we have to repeat those squalid stories in order to show that Japan, through her militaristic bureaucracy at home and imperialistic designs abroad, is the real enemy of democracy? Is our memory so short as to forget Japan's violation of the neutrality of China first in the Russo-Japanese War of 1904-5 and then again in the present war in 1914? Is the world blind to the fact that Japan, through her extra-territorial privileges in China and her banking and postal systems, has carried on systematically the morphia and opium traffic in China, in contravention to the Opium Agreement of 1909 to which she is a signatory, and in defiance of the moral law of the civilized world? It is thus evident that the Chino-Japanese question is not merely a question between the two countries concerned. In its larger aspects, it is a case of democracy against autocracy, of liberalism against imperialism, of law

against license, and of self-preservation against aggrandizement. Such being the case, there is but one thing left for the world to do. It is to champion democracy in its fight against autocracy, to help liberalism displace imperialism, to enforce law against license, and to assist the weak peoples in their uphill struggle for development and self-preservation in face of foreign encroachments and aggressions which menace their very right of existence. The war will have been fought in vain if these fundamentals—democracy, justice, and the rights of weak nations—are not attained. The peace conference will turn out to be an absolute failure if it refuses to face the tremendous facts that have been surging the filthy waters of Far Eastern politics, and to settle the question as it should be settled in the interest of peace and for the good of all. But can the world have peace while China is every day threatened with war? Can the peace settlement be a just one if the grievances of a nation of 400,000,000 people are not redressed, and their wrongs are not righted?

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